

1 March 1957

MEMORANDUM FOR:

Members of CIA Career Council

SUBJECT:

Proposed Legislation for Retirement Benefits

1. The meeting of the Council scheduled to meet on 1 March 1957 to discuss new proposals for legislation concerning retirement was cancelled.

2. Messrs [redacted] met with representatives of the Bureau of the Budget on 19 February. Some technical problems of drafting the actual bill were discussed. No substantive problems of major importance developed with respect to any of CIA's legislative proposals except that having to do with retirement. On the retirement proposals, however, strong and possibly insurmountable opposition was expressed to any formula which would:

- a. give CIA a situation substantially more generous than that of the Foreign Service, and
- b. permit earlier retirement with as little as one year overseas out of each 4 years total service, i.e., 5 years minimum overseas service with 20 years minimum total Government service. In this connection, the Bureau of the Budget representative pointed out that the planned and expected ratio in the Foreign Service was 6 years overseas out of each 10 years total.

The Deputy Director (Support), after being briefed on the Bureau of the Budget meeting, concluded that our representatives should go back to the Bureau of the Budget with certain revisions in our previous proposals in order to attempt to negotiate a settlement on the working level. No commitments would be made, however, without approval by the Council.


3. Attached is the new proposed plan with a chart showing annuities under this plan as compared with the Foreign Service retirement system. The major changes from the formula agreed to by the Council on 7 February are the following required conditions:

- 1. that at least 10 years of the 20 years of total Government service must be with CIA,
- 2. overseas service must be equivalent to not less than 40% of total service with CIA prior to age 50.

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4. This proposal will be discussed with the Bureau of the Budget on Friday, 1 March 1957.

  
GORDON M. STEWART  
Chairman,  
CIA Career Council

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1cc to each member CIA Career Council

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- (g) Make payments without regard to section 3648 of the Revised Statutes (31 U.S.C. 529), when made --
  - (1) In compliance with the laws of foreign countries or their ministerial regulations, and
  - (2) for rent in foreign countries for such period as may be necessary to accord with local custom.
- (h) Pay tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries in connection with Agency operations abroad.
- (i) Use without fiscal year limitation the exchange allowances or proceeds derived from the exchange or sale of passenger motor vehicles in possession of the Agency abroad, in accordance with section 201(c) of the Act of June 30, 1949 (40 U.S.C. 481(c)), for replacement of an equal number of such vehicles.

SECTION 3. Section 10(a)(1) of such Act is amended by inserting "Chapter 171 of" immediately before "28 U.S.C."

SECTION 4. Such Act is amended by inserting a new Section 9 which shall read as follows:

Section 9. Any employee who attains the age of fifty years and completes twenty years of creditable service under the Civil Service Retirement Act (Act of 22 May 1920, as amended, 5 U.S.C. 691) at least five of which have been served outside the continental limits of the United States with the Agency may, if the Director approves, voluntarily retire. For the

purpose of computing the amount of the annuity under that Act